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## REMARKS/DISCUSSION OF ISSUES

The finality of the most-recent, i.e. first, Office Action cannot be sustained, at least because the claims cannot properly be rejected on "the art of record." See MPEP § 706.07(b), first paragraph. In particular, the instant claim rejections are invalid, as demonstrated by the analysis below.

The Office Action dated July 19, 2004 has been reviewed and carefully considered. Claim 20 has been added. Claims 1-14 and 16-20 are pending. Claim 14 has been amended. Reconsideration of the above-identified application, as amended and in view of the following remarks, is respectfully requested.

Claim 14 stands objected to for the informality of reciting "less then about."

Claim 14 has now been reworded in a manner that is believed to overcome any basis for objection or rejection (see MPEP 2163.06(III), first paragraph; MPEP 2173.05(b)(A), first sentence). Support for the amendment of claim 14 is found in the specification (e.g., page 9, lines 1-3, 14-17).

Claims 1-9, 11, 12, 14 and 16-19 stand rejected under 35 U.S.C. 103(a) as unpatentable over U.S. Patent No. 5,576,854 to Schmidt et al. ("Schmidt").

As a preliminary matter, the Schmidt reference fails to disclose or suggest "an <u>input</u> optical path polarizer" or an

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"output optical path polarizer" which terms both explicitly appear in claim 1 of the present invention.

The Schmidt polarizing surface 22, by contrast, polarizes light both headed toward the light valve and returning from the light valve (e.g., col. 4, lines 58-63; col. 5, lines 53-55). Accordingly, the Schmidt polarizing surface 22 cannot fairly be characterized as either of the polarizers of the present claim 1 or as both polarizers.

Moreover, even if the Schmidt polarizing surface 22 were deemed to be one or both of the polarizers of the present claim 1, claim 1 recites:

at least one low-retardance film arranged within one of (i) the input optical path of the system between an input optical path polarizer and the at least one panel and (ii) the output optical path of the system between the at least one panel and an output optical path polarizer

In the context of claim 1, the reference in the quote above to "one of" cannot properly be construed as referring to two. Yet, the Office Action appears to be attempting interpret the above phrase "one of" in claim 1 of the present invention as meaning two.

The Office Action, though silent on the matter, presumably regards the "at least one panel" of the present claim 1 as corresponding to the liquid crystal light valve (LCLV) 28

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in Schmidt. Notably, however, the Schmidt quarter-wave plate 26 is arranged within the path to <u>and</u> from the Schmidt LCLV 28. For at least this reason, it is unclear which "one of" the alternatives in claim 1, i.e., (i) or (ii), the Office Action suggests as being disclosed in Schmidt.

For at least the reasons set forth above, Schmidt fails to anticipate the present invention as recited in claim 1.

The applicants note, in addition, that, since Schmidt would be inoperable without the second incidence upon the quarter-wave plate 26 (col. 4, line 63 - col. 5, line 5), it is unclear how Schmidt could be modified to resemble the present claim 1. For at least these reasons, it is unclear how it fairly could be said that Schmidt renders obvious the present invention as recited in claim 1. Reconsideration and withdrawal of this ground of rejection are respectfully requested.

Claim 10 stands rejected under 35 U.S.C. 103(a) as unpatentable over Schmidt in view of U.S. Patent No. 5,986,815 to Bryars.

Claim 10 depends from claim 1, and the Bryars reference cannot compensate for the shortcomings of Schmidt.

Item 3 of the Office Action cites to lines 38-42 of col. 19 in Bryars, but this passage refers to waveplate retarders 80, 100, 120 each of which, as in the case of the

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Schmidt reference, is present <u>both</u> in the incident light path to the LCLV and in the reflected light path from the LCLV (col. 12, lines 5-8(9)). Like Schmidt, Bryars specifically designs its optical system so that light is double-passed (col. 5, line 51: "double-passed") through a waveplate retarder in a single optical path. For at least these reasons, the Bryars reference fails to further the proposition being offered by the Office Action. Accordingly, the proposed combination of prior art fails to render obvious the invention as recited in claim 10. Reconsideration and withdrawal of this ground of rejection are respectfully requested.

Claim 13 stands rejected under 35 U.S.C. 103(a) as unpatentable over Schmidt in view of U.S. Patent No. 5,875,008 to Takahara et al. ("Takahara").

Claim 13 depends from claim 1. Takahara is disclosed in item 6 of the Office Action for its disclosure of a diacetate plate, but cannot make up for the deficiencies in Schmidt or Bryars. For at least this reason, the proposed combination fails to render obvious the present invention as recited in claim 13. Reconsideration and withdrawal of this ground of rejection are respectfully requested.

As to the other rejected claims, each depends from a respective base claim, and is deemed to be patentable over the

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cited references at least due to its dependency. Each, however, warrants further consideration based on its individual, additional merits.

New claim 20 finds support in lines 1-3 of page 9 of the specification (see MPEP 2163.06(III)).

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## conclusion:

In light of the foregoing, Applicant respectfully requests that the Examiner withdraw the rejections and objections of record, allow all the pending claims, and find the application to be in condition for allowance. If any points remain in issue that may best be resolved through a personal or telephonic interview, the Examiner is respectfully requested to contact the undersigned at the telephone number listed below.

respectfully submitted,

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